



FTC #25: Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decision to 5 November 2020

Application 2020-26 – Silverlight Studios

Date Submitted:	5 November 2020	Tracking #: 2020-B-07255	
Security Level	In-Confidence	MfE Priority:	Urgent

	Action sought:	Response by:
To Hon David Parker, Minister for the Environment	Decision	TBA

Actions for Minister's Office Staff	<p>Send out attached letter (if agreed and signed).</p> <p>Return the signed briefing to MfE.</p>
Number of appendices and attachments	<p>Titles of appendices:</p> <p>1. Letter from the Minister for the Environment to relevant Ministers of the Crown.</p>

Ministry for the Environment contacts

Position	Name	Cell phone	1 st contact
Principal Author	Arron Cox		
Responsible Manager	Madeleine Berry	s 9(2)(a)	✓
Director	Liz Moncrieff	s 9(2)(a)	

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FTC #25: Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decision to 5 November 2020

Key Messages

1. We are seeking your decision on an application for referral of a project to an expert consenting panel under the COVID-19 Recovery (Fast-track Consenting) Act 2020 (the Act), for the Silverlight Studios development.
2. We have undertaken an initial (Stage 1) analysis of this application and recommend you progress this application to the next stage.
3. A summary of the analysis and our recommendation for the application is provided in Table A. You are the sole decision maker for this project (this is not in the Coastal Marine Area).
4. This application has the potential to achieve the purpose of the Act. To better understand the project's scope, any arising potential adverse environmental effects, and how it will be funded we recommend further information be sought from the applicant and local authorities.
5. Table B indicates how applications we have received for referred projects under the Act are advancing through the fast-track process. Table C indicates progress of Listed Projects received by the Environmental Protection Agency. We will continue to monitor and report progress to you.

Action sought

6. Please indicate your decision on the recommendation for the application listed in Table A.

Signatures

Madeleine Berry
Acting Manager
Fast Track Consenting

Table A: Stage 1 initial assessment of project eligibility – projects where the Minister for the Environment is the only decision maker

Project to progress

Project details	Project description	Project Funding	Project eligibility criteria [s18(3)]	Assessment against the purpose of the Act					Any other matters [s19(f)]	Recommendation	Decision
				Economic benefits and costs [s19(a)]	Effect on social and cultural wellbeing [s19(b)]	Likelihood project will progress faster under the Act [s19(c)]	Public benefit [s19(d)]	Potential for significant adverse effects [s19(e)]			
<p>Application name Silverlight Studios</p> <p>Applicant Silverlight Studios Limited</p> <p>Project location 707 Wanaka Luggate Highway. The site is, approximately seven kilometres to the east of Wanaka.</p> <p>Background The site currently has resource consents for a 35-lot subdivision, construction of an irrigation reservoir, and for the construction and operation of a function centre.</p> <p>The irrigation reservoir and function centre resource consents have been given effect to. The applicant proposes to surrender the subdivision consent if this application is successful.</p>	<p>Construction and operation of a film studio, post-production facilities, a film school, a screening theatre, a New Zealand film exhibition, and supporting facilities in Wanaka, Otago.</p> <p>This development will be separated into seven areas centered around the irrigation reservoir (the surface of reservoir will be altered to fit in with the development). These areas are:</p> <ul style="list-style-type: none"> A studio complex of 5 buildings surrounded by a high wall. This area will provide sound stages, a workshop and supporting facilities. Five building clusters themed to replicate iconic filming locations around the world (an Italian village, Venice, Paris, New York, and Nantucket (USA)). The building clusters will be used as film sets as well as production offices, a theatre, a film school, a New Zealand film exhibition and supporting facilities. A small-scale replica of New York's Central Park for filming and tourism purposes. <p>The project also includes the construction and operation of supporting facilities and infrastructure. This project involves extensive earthworks which may occur on contaminated land.</p>	<p>The applicant has provided a letter from Alvarium Investments, a global independent investment firm, which invests in screen infrastructure expressing an interest in investing in the project.</p> <p>We will carry out further due diligence if you decide to progress this application.</p>	<p>The project is not disqualified from referral as, based on available information it does not:</p> <ul style="list-style-type: none"> include any prohibited activities include land returned under a Treaty settlement occur in a customary marine title area or protected customary rights area under the Marine and Coastal Area (Takutai Moana) Act 2011. <p>However, we note that the applicant intends to operate a film school onsite. We will confirm that they do not intend to have outdoor spaces associated with the school as it is a prohibited activity in the area under the Queenstown Lakes District Plan.</p> <p>Our initial assessment indicates that this project has the potential to meet the purpose of the Act as it will:</p> <ul style="list-style-type: none"> provide short and long term jobs in the Queenstown Lakes District an area adversely impacted by COVID-19 diversify the district's economy and attract investment to the area. 	<p>The applicant states that the project will provide up to 300 jobs during construction. We anticipate a portion of these jobs could be filled by people with limited construction industry experience and will confirm this with the applicant.</p> <p>Once operational the applicant considers that the studios will provide up to 1,200 jobs most of which will be permanent. A portion of these jobs will be able to be filled by people with no experience in the film industry. Some jobs will be filled by local and international film crews on a temporary basis. However, the applicant anticipates full use of the studio and notes that temporary film crews will live and spend money in the Wanaka area. The applicant also considers that the studios will be a tourist attraction and will generate indirect economic benefits to the Wanaka/Queenstown area.</p> <p>The studios will potentially provide economic diversity and generate international investment. The applicant states that the project is proposed to meet a demand for dedicated film studios, large film sets, and supporting production facilities in New Zealand. The applicant notes New Zealand's filming</p>	<p>The film school is proposed to provide learning opportunities including all aspects of producing films and content. This would provide opportunities for upskilling people who have lost their jobs due to COVID-19.</p> <p>The applicant states that the northern section of the site is located in a Wāhi Tupuna Overlay in the Proposed Queenstown Lakes District Plan which provides for kaitiakitanga of Kāi Tahu (Ngāi Tahu).</p> <p>The application contains a letter from Aukaha, representing local Kāi Tahu iwi. This letter confirms that the application site does not include land returned under a Treaty settlement or any known Maori archaeological sites, nohoanga¹ or tōpuni². This letter does not convey Aukaha's view on referring the application</p> <p>The site is close to a Wāhi Tupuna site but is not located on it according to the provided site plan. The applicant has confirmed that no works are proposed to occur within a Wāhi Tupuna site.</p> <p>Iwi will have an opportunity to comment on this application further if it</p>	<p>The applicant suggests that this project has the potential to be publicly notified given its nature and scale and its non-complying status. If notified it is reasonable to assume a one to two year timeframe to process the resource consent application and any appeals.</p> <p>The applicant anticipates that the consent process under this Act will shorten the consenting timeframe to approximately 9 months and bring forward construction.</p> <p>The applicant intends to commence work shortly after the consent is granted.</p>	<p>Based on the information provided to us, we consider the application is likely to have a public benefit including positive employment and broader economic and related social benefits.</p>	<p>Overall, this project has the potential to have adverse environmental effects. However, at this stage we recommend seeking further information to better understand these effects and whether they can be mitigated. A brief overview of potential effects are:</p> <ul style="list-style-type: none"> Given the scale of the development it has the potential to have adverse environmental effects on the local landscape. The development may lead to an increase in traffic. The applicant suggests these can be mitigated through works onsite. There are pockets of significant native vegetation around the site. The applicant has advised they intend to adopt measures to protect this. On occasion the applicant will carry out night time filming outdoors. The applicant proposes to mitigate the effects of these night time activities. 	<p>The provision of three waters infrastructure is yet to be resolved</p> <p>There is likely to be significant interest in this project as the site is partially located in an Outstanding Natural Landscape in the Proposed Queenstown Lakes District Plan.</p> <p>An unformed legal road crosses the site and has to be stopped to enable part of the development to occur. The applicant is planning to stage the project to ensure the road closure process does not delay the development. The applicant proposes to retain some form of public access across the land.</p> <p>The development will increase the demand for accommodation in Wanaka and the Queenstown Lakes District an area that has a low housing supply.</p> <p>The applicant may need other consents for this development to progress.</p>	<p>a. agree to progress Silverlight Studios to Stage 2 of the process. The project warrants further analysis because it has potential to achieve the purpose of the Act.</p> <p>b. agree to seek further information from the applicant on meeting the purpose and public benefits in relation to the project's scope, its environmental effects, its benefits, its funding, and engagement with the local authorities and the community.</p> <p>c. agree to seek comment from:</p> <ul style="list-style-type: none"> Ministers listed in s21(6) of the Act Minister for Trade and Export Growth given the potential international interest in this project. <p>d. agree to seek comments from the relevant local authorities.</p>	<p>Yes/No</p> <p>Yes/No</p> <p>Yes/No</p> <p>Yes/No</p>

¹ Seasonal occupation sites.

² Public symbols of Kai Tahu mana and rangatiratanga over prominent landscape features and conservation areas.

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				<p>facilities are currently at capacity, and there is an increasing demand from international film producers which they see continuing after international borders reopen.</p> <p>A letter of support from New Zealand Trade and Enterprise, submitted with the application, suggests that the project has the potential to result in an investible proposition to support New Zealand's screen sector.</p>	is referred to the expert consenting panel.				We will seek further information from the applicant and councils to better understand how these matters may impact the application. We will provide further advice on this in Stage 2.		

Signed:

Hon David Parker
Minister for the Environment

Date

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